



ANNUAL REPORT

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**USAID/MALAWI
OFFICE OF UNITED STATES FOREIGN DISASTER ASSISTANCE
SOUTHERN AFRICA**

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Submitted by

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ACRONYMS AND ABBREVIATIONS

ATC	Agricultural Trading Company
ADC	Area Development Committee
CoP	Chief of Party
CVL	Central Veterinary Laboratory
DEC	District Executive Committee
EPA	Extension Planning Area
FFP	Food for Progress
GVH	Group Village Headman
L4R	Livestock for Resilience
LLF	Livestock Lead Farmer
M&E	Monitoring and Evaluation
OFDA	Office of Foreign Disaster Assistance
PAC	Project Advisory Committee
PIP	Project Implementation Plan
TA	Traditional Authority
TOT	Training of Trainers
USAID	United States Agency for International Development
VA	Village Agent
VDC	Village Development Committee
VSLA	Village Savings and Loan Associations

1.1. PROJECT OVERVIEW

Land O' Lakes, with funding from the United States Agency for International Development (USAID) Office of Foreign Disaster Assistance (OFDA), has completed the first year of implementing the Malawi Livestock for Resilience (L4R) project in ten communities of Dowa and Ntchisi districts in Central Malawi. The goal of the project is to build the resilience of 6,000 vulnerable households in ten communities in the targeted districts. During this period, the project achieved the following milestones:

- Conducted a baseline survey for the project.
- Identified and trained 4,907 (Male: 2,371; Female: 2,536) smallholder farmers in animal husbandry and management against a project life target of 6,000.
- Established and strengthened 300 livestock producer groups and facilitated development of constitution and bi-laws, establishment of governance structures, facilitated regular meetings, record keeping of memberships and meeting minutes.
- Conducted demonstrations and supervised the construction of improved animal housing facilities at household-level that will support the expansion of livestock asset base per household. 1,348 households have constructed and are using improved animal housing facilities.
- Improved management of livestock assets through delivery of training to 4,907 households against a project life target of 6,000 households. Training focused on improved animal husbandry practices such as housing, feeds and feeding and animal health care.
- Trained 150 livestock lead farmers on animal health services (against a target of 150), and 80% of the trained- Livestock Lead Farmers (LLFs) have been offering animal health services to smallholder producers during this period.
- A total of 49,394 animals (45,005 chickens, 3,117 goats, 36 cattle, 69 sheep, 1,200 pigs and 36 other animals) owned by 6,718 individuals benefited through veterinary interventions (deworming, vaccination, dipping and treatment) conducted during the period.
- Established and strengthened 300 VSLAs against a target of 300.
- Trained 150 lead farmers that are working as Village Agents for VSLA and household enterprise development.
- 4,837 VSLA members mobilized cumulative savings of \$102,296 against a project life target of \$30,000.

During the stakeholder's project inception workshop, a total of 40 individuals representing public and private institutions participated. At the end of the workshop, a Project Advisory Committee (PAC) comprising of representatives from public and private institutions was constituted. The PAC has met once during this period and provided guidance to the project team regarding quality of project implementation.

Key Challenges experienced during the period include:

- There was delay in Land O'Lakes being able to issue employment agreements due to several months between award notification and signing the of cooperative agreement.
- There were unanticipated delays in the procurement and placement of motorcycles and motor vehicles due to unavailability in country; this affected early implementation of activities. However, the project was able to use hired vehicle to ensure that some start up activities were implemented.
- Unreliable supply of vaccines and veterinary drugs affected efficiency of Livestock Lead Farmers, which resulted in LLFs failure to realize net monthly income of \$50.
- Malawi experienced a poor agricultural season characterized by flash floods and prolonged dry spells, which affected establishment of AnswerPlots™ and crop production among smallholder farmers.

2.0. ANNUAL PERFORMANCE RESULTS

2.1. LIVESTOCK ASSET BASE EXPANDED

Provision of Goats and Chickens: During the reporting period, Land O'Lakes identified 1,348 households against a project life target of 2,000 households that are eligible to benefit from goats and chickens procured through a voucher scheme. To identify farmers to receive the goats and chickens, detailed and clear selection criteria was

developed and disseminated to all farmers. The set criteria was expected to facilitate a fair and transparent selection process that shall allow farmers to self-select. The set selection criteria included the following parameters: evidence of construction and use of improved animal housing structure; membership and active participation in a producer group; evidence of application of improved livestock management practices (feeding, animal management and health); application of improved feeding practices, ownership of at least 3-4 does for goats or 3-5 hens for chicken beneficiaries and; participation in Village Savings and Loan Associations (VSLAs) with active savings. Through a free and open tender selection process, livestock suppliers were identified and contracted to provide animals to selected beneficiaries and the placement of livestock will be done in the first quarter of year 2. The project conducted a livestock market survey in the targeted communities, which identified that there was an inadequate availability of livestock in the target communities to support purchase of livestock with a voucher. Furthermore, it was established that farmers had substantially contributed to acquisition of additional livestock through investments in construction of animal housing facilities. 1,348 animal housing facilities (564 for goats and 784 for chickens) were completed during the period. It was recorded that on average goat farmers invested up to MK23,000 (\$53) and chicken farmers invested MK5,000 (\$11) to construct the animal housing structures. It is estimated that based on this method, farmers are contributing up to 30% to the total cost of purchase of animal (2 goats) and construction of animal housing structures. Farmers were able to access resources from their group savings to construct these structures. The project therefore decided to meet the full cost of purchasing livestock and use the investment in animal housing structures as farmers' contribution.

2.2. VULNERABLE HOUSEHOLDS' CAPACITY TO MAINTAIN ASSET BASE INCREASED

During the reporting period, the project trained 4,907 (Male: 2,371; Female: 2,536) target farmers in animal husbandry and management. Training was provided through a series of intensive workshops and lead-farmer led trainings. Topics addressed included: improved animal housing; feeds and feeding techniques; animal health; animal breeding and breed selection; and chick management, among others.

The project established 300 producer groups, with 56% of group members being female. The increase in the number of women in the production groups can largely be attributed to rolling out of VSL in producer groups, as such activities draw more women as compared to men.

Land O'Lakes trained 918 producer group leaders (500 male; 418 female) in the principles of leadership and group dynamics. The training is expected to contribute towards capacity building of group leaders to build cohesive local institutions and contribute to sustainability of project activities. Each participating producer group was represented by up to three leaders from their group.

During the reporting period, 10 AnswerPlots were established against a project target of 10, to ensure that each community is served by these demonstration plots. Each plot measure 0.2 hectares and was planted with cereal, legume and trees. Eleven farmer demonstrations on best practices for fodder and food crop production were conducted during the period.

2.3. ACCESS TO ANIMAL HEALTH AND LIVESTOCK EXTENSION SERVICES IMPROVED

During the reporting period, Land O'Lakes identified and trained 150 Livestock Lead Farmers (LLFs) (Male: 91; Female: 59) in animal husbandry, animal health and livestock as a business. The Land O'Lakes staff worked together with government extension staff to deliver these trainings. During the training, the participants were introduced (linked) to three agrovet dealers [Agricultural Trading Company (ATC), Lilongwe Livestock Centre and Royal Veterinary Services] for additional information regarding the veterinary products (drugs, vaccines and veterinary equipment) available through the vendors. This was mainly done to have an early linkage to agrovet and instill business sense in the Livestock Lead Farmers.

The L4R team completed procurement of veterinary tool kits during the period. Supplies and equipment for the kit include vaccine carriers, tag applicators, weigh bands and thermometers. Kits will be distributed to LLFs at the beginning of Quarter 1 in Year 2 of the project. LLFs will be expected to stock their kits with dewormer and basic drug treatments as part of their cost-share. The LLFs provided animal health services to 6,718 direct and indirect project beneficiaries (project target: 4,500) earning on average \$17 per month against a project target of \$50. The project is now working with the LLFs to expand their customer base, which will enable them increase their monthly income. Animal health services provided included chicken vaccinations against Newcastle disease, breeding control through castration of male goats, provision of deworming drugs and management of simple treatments. 49,394 animals received animal health care at least once. This included 45,005 chickens, 3,117 goats, 96 cattle, 69 sheep, 1,200 pigs and 36 other animals (ducks). The provision of chicken vaccination against Newcastle disease was affected by scarcity of the I2 vaccine and other drugs. There is only one supplier of Newcastle disease vaccine in Malawi, which experienced production challenges during the period.

The project initiated the process to establish a Livestock Lead Farmer Association for each district to ensure continued provision of services by the trained and equipped individuals through pooling of resources and linkages with business service providers. There have been fluctuations in the number of LLFs providing services, with 113 operating against 150 effectively trained. During the next period, the project will focus on continued capacity building of the LLFs and replacement of those not performing as expected or those who have dropped out.

During the reporting period, Land O'Lakes supported 30 LLFs (20 Males; 10 Females) to visit several agrovet shops in Lilongwe city such as Agriculture Trading Company (ATC) and Central Veterinary Laboratory (CVL), where they were directly linked to source drugs as well as vaccines for their business. They also visited Agro-forestry Centre in Salima where LLFs learned a number of technologies being showcased including improved animal housing structures for both goats and chickens, and integrated farming such maize, groundnuts, soya, and fodder crops. The L4R LLFs also visited a Lead Farmer named Mr. Johanas Banda, who has adopted and is practicing at his homestead all the technologies they saw at the Agro-forestry centre.

2.4. CAPACITY OF VULNERABLE HOUSEHOLDS TO PLAN, SAVE AND MITIGATE RISK IMPROVED

Village Savings and Loan Associations have taken off strongly with the formation of 300 VSLA groups constituting a membership of 4,837 VSLA group members (2,021 Male; and 2,816 Female). During the reporting period, farmers made savings totaling \$102,296.89 against a project life target of \$30,000. 68% of this savings was loaned out to group members, who used the funds to purchase additional livestock, construct improved animal housing structures and set up or grow their own small-scale business.

To facilitate organization and performance of the VSLAs, the project identified and trained 150 selected lead farmers to work as village agents. Each village agent is supporting two groups and their key role involves setting up the VSLA group, supervision of savings and loaning activities and provision of financial and enterprise development training to members of the VSLA. VSLA methodology and household enterprise development training were delivered to the 150 and 57 (male: 34; female: 23) village agents respectively during the period. Land O' Lakes business and marketing specialists worked with Village Agents to provide training in VSLA methodology to a total of 5,037 individuals (Male: 2,221; Female: 2,816). The Project will in the first quarter of year 2 continue training Village Agents in household enterprise development who will then train farmers and two other households members on the same.

3.0. CHALLENGES AND LESSON LEARNED

Procurement of project resources: Unanticipated supply shortages in country resulted in delays in receiving motorbikes and motor vehicles. However, the project used hired transport during the first half of the year to implement project activities.

Supply of vaccine for Newcastle disease: The central veterinary laboratory, which produces and supplies I2 vaccine used in controlling Newcastle disease, experienced production challenges resulting in LLFs failing to consistently

provide local chicken vaccination to smallholder farmers. The project is exploring alternative suppliers for this vaccine to link these farmers to ensure consistent delivery of these services.

Flooding and dry spell: During the reporting period, Malawi was affected by flooding and persistent dry spells, which also affected AnswerPlot™ sites as the targeted communities. Five of the ten AnswerPlot™ sites were so significantly affected that no maize or legumes were harvested and that the remaining plots produced reduced yields.

High demand for the project: High demand for services of the project in the targeted communities has resulted in more time investment in review and screening of farmers registering as members of producer groups and VSLAs to ensure that self-selected groups are constituted with members who have a common vision.

Cost of animal housing construction materials: Materials for constructing animal housing structures were more expensive than anticipated. Goat producers spent an average of \$53 while chicken farmers invested \$11 to construct quality animal housing structures as recommended by the project. Project participants used their VSLA groups to borrow money to finalize their animal housing structures. So as not to overburden farmers and potentially harm them financially, L4R will accept farmer costs of housing contribution as cost-share towards the livestock they will receive through the project in Year 2. The project is therefore expected to provide livestock vouchers that farmers will use to redeem their livestock with 100% of the costs covered by the project.

Learning visit in Salima for Livestock Specialists: During the reporting period, L4R Livestock Specialists participated in a Livestock Market Fair conducted by Land O'Lakes' Malawi Food for Progress project in Salima. The activity provided a learning platform for the specialists in implementation of similar initiatives under the L4R project.

Learning visit for Livestock Lead Farmers: During the period, Land O' Lakes supported a learning visit for 30 LLFs (20 Males; 10 Females) who visited Agro-forestry Centre in Salima where LLFs learned a number of technologies being showcased including improved animal housing structures for both goats and chickens, integrated farming such maize, ground nuts, soya, and fodder crops and adoption of best practices being practiced by Mr. Johanas Banda.

4.0. PLAN FOR NEXT YEAR

In the next year, July 2015 – June 2016, the plan is to train producer group members and other household members in household enterprise development and distribute livestock to selected producer group members, and conduct the mid-term evaluation, amongst other activities. Below are some of the key activities to be implemented in year two of the project.

Intermediate result	Activity
Livestock asset base expanded	Continued Identification of livestock beneficiaries
	Voucher creation and distribution to livestock beneficiaries
	Pre-screening, inspection and approval of livestock as fit and healthy for distribution
Vulnerable Households' Capacity to Maintain Asset Base Increased	Continue to build capacity of livestock producer groups
	Continue to deliver training in Animal Husbandry and Management through LLFs
	Support Livelihoods Diversification
	Provide access to and promote use of improved feeding rations
Capacity of and Access to Animal Health and Livestock Extension Services Improved	Continued training of Livestock Lead Farmers
	Refresher Training to Livestock Specialist & Government AVOs in Animal Health
	Community based refresher training of Livestock Lead Farmers in practical techniques in animal feeding processing and animal husbandry practices, animal handling and restraint techniques.
Capacity of Vulnerable Households to Plan, Save and Mitigate Risk	Training of project beneficiaries in household enterprise development
	Continue to build capacity of groups to engage in Village Savings and Loan

5.0. ANNEX 1: ANNUAL PERFORMANCE DATA TABLE

Project	Malawi Livestock for Resilience
Start Date	15-Jul-14
End Date	15-Jun-16

#	Indicator Name	Disaggregation	Baseline		Year 1		Life of Project		Comments
			Year	Value	Target	Actual	Target	Actual	
	OFDA Goal								
1	Number of animals benefiting from or affected by livestock activities	Total	2014	0	22,500	80,591	26,000	80,591	This is higher than targeted due to mass chicken vaccinations conducted that were not envisioned in the initial project proposal
		Goats	2014	0	7,800	11,425	8,640	11,425	
		Chicken	2014	0	13,100	67,271	16,800	67,271	
		Cattle	2014	0	500	421	610	421	
2	Number of people benefiting from livestock activities	Total	2014	0	20,000	42,730	30,000	42,730	The figures will change after completing entry and linking of the other 969 households trained in animal husbandry.
		Male	2014	0	9,800	20,652	14,700	20,652	
		Female	2014	0	10,200	22,078	15,300	22,078	
3	Number of veterinary interventions, treatments or vaccinations administered	Total	2014	0	10,000	64,566	25,000	64,566	During the year, LLFs conducted mass chicken vaccination campaign against Newcastle disease in all the project sites and castrated 147 animals under the watch of LOL staff & Government staff.
		Deworming	2014	0	2,300	8,125	3,900	8,125	
		Vaccination	2014	0	7,300	55,976	18,300	55,976	
		Dip	2014	0	400	97	1,800	97	
		Treatment	2014	0	0	221	0	221	
4	Number of animals treated or vaccinated	Total	2014	0	6000	49,394	18,000	49,394	During the year, the project also treated sheep (69), Pigs (1200), Others (36)
		Goats	2014	0	1,000	3,117	3,000	3,117	
		Chickens	2014	0	4,800	45,005	14,400	45,005	

		Cattle	2014	0	200	36	600	36	
5	Number of people newly receiving financial services or continuing to receive financial services due to USAID/OFDA support	Total	2014	0	2,000	4837	2000	4837	Almost every member of producer group is taking part in the VSLA activities, which was not expected at project inception.
		Male	2014	0	1,000	2021	1000	2021	
		Female	2014	0	1,000	2816	1000	2816	
6	Percentage of financial service groups supported by USAID/OFDA that are functioning properly	None	2014	0	50%	0	50%	0	All groups have governance structures and constitutions. Strengthening of groups to continue. Assessment was delayed because the project is yet to agree on the assessment tool.
7	Total USD amount channeled into the program area through sub-sector activities	None	2014	0	0	0	0	0	The project has not contributed any funds directly to the VSLA as planned.
Program Objective									
8	Percent of households that have an increase in their livestock asset base	Total	2014	0	20%	TBD	75%	TBD	To be measured at Mid-term and final evaluation. The midterm will be conducted in September 2015
		Male-head	2014	0	20%	TBD	75%	TBD	
		Fem – head	2014	0	20%	TBD	75%	TBD	
9	Percent of female headed households that have an increase in their livestock asset base	None	2014		20%	TBD	75%	TBD	To be measured at Mid-term and final evaluation. The midterm will be conducted in September 2015
10	Percent of households with viable herd/flock size (participants that receive vouchers and other project activities)	Total	2014	59%	62%	TBD	65%	TBD	To be measured at Mid-Term and final evaluation. The midterm will be conducted in September 2015.
11	Percent of female-headed households with viable	Total	2014	54%	60%	TBD	65%	TBD	To be measured at Mid-term and final evaluation

	herd/flock size (participants that receive vouchers and other project activities)								
IR1									
12	Number of households that utilize their vouchers to purchase animals	Total	2014	0	1,000		2000		Livestock placement planned for next quarter
		Goats	2014	0	250		500		
		Chickens	2014	0	750		1500		
13	Number of households that receive vouchers to purchase animals through the project	Total	2014	0	1,000		2000		Livestock placement planned for next quarter
		Goats	2014	0	250		500		
		Chickens	2014	0	750		1500		
IR2									
14	Percent of households that are applying improved animal husbandry and feed techniques	Overall	2014	0	55%	TBD	75%	TBD	To be measured at Mid-term and final evaluation. Midterm to be conducted in September 2015
		Male-head	2014	0	55%	TBD	75%	TBD	
		Fem-head	2014	0	55%	TBD	75%	TBD	
15	Number of individuals trained in animal husbandry and management	Total	2014	0	3,000	4,907	6000	4,907	
		Male	2014	0	1,500	2,371	3000	2,371	
		Female	2014	0	1,500	2,536	3000	2,536	
16	Number of producer groups formed and/or strengthened	Total	2014	0	200	300	300	300	All project target groups formed and in operation. The project received overwhelming response for goat groups than expected.
		Goats	2014	0	50	147	100	147	
		Chickens	2014	0	150	153	200	153	
17	Percent of female members in assisted producer groups	None	2014	0	50%	56%	50%	56%	High women participation due to VSLA
18	Number of Answer Plots established	None	2014	0	4	10	8	10	More plots than targeted were established to have at least one plot in every community
19	Percent of final sale price captured by producers	None	2014	0	50%	TBD	50%	TBD	To be measured at Mid-term and final evaluation.

									Midterm to be conducted in September 2015
20	Number of producer groups linked to markets	Total	2014	0	50	0	300	0	Market linkage activities planned for next year
		Goats	2014	0	25	0	100	0	
		Chickens	2014	0	25	0	200	0	
IR3									
21	Goat and chicken mortality rate amongst target producer groups' households	Goat	2014	23%	20%	TBD	14%	TBD	To be measured at Mid-term and final evaluation. Midterm to be conducted in September 2015
		Chicken	2014	57%	50%	TBD	32%	TBD	
22	Net monthly income of para-vets from providing animal health services	Overall	2014	0	\$25	\$17	\$50	\$17	All 150 LLFs reported to have earned money during the period
		Male	2014	0	\$25	\$17	\$50	\$17	
		Female	2014	0	\$25	\$17	\$50	\$17	
23	Percentage of households served by para-vets that give favorable reviews of their experience	Total	2014	0%	60%	TBD	80%	TBD	To be measured during Mid-term and final Evaluation. Midterm to be conducted in September 2015
		Male	2014	0	60%	TBD	80%	TBD	
		Female	2014	0	60%	TBD	80%	TBD	
24	Number of households served by the para-vets	None	2014	0	2,500	6,718	4,500	6,718	More households have benefited from chicken vaccination than expected
25	Number of trained para-vets providing animal health services to households	None	2014	0	100	150	150	150	Each of the LLFs provided services at least once. At least 80% of the LLFs are providing animal health services on a regular basis
26	Number of para-vets equipped and trained in animal health	Total	2014	0	100	0	150	0	150 LLFs were trained, 10 are poor performers or
		Male	2014	0	64	0	96	0	

	services and animal husbandry and management	Female	2014	0	36	0	54	0	dropped out and will be replaced. LLFs will be equipped in Year 2
IR4									
27	Amount (\$) saved and loaned in the VSLAs	None	2014	\$0	\$20,000	\$102,296.89	\$30,000	\$102,296.89	There has been overwhelming response to VSLA
28	Percentage of households that are applying improved business techniques	Total	2014	0%	30%	TBD	75%	TBD	To be measured at Mid-term and final evaluation. Midterm to be conducted in September 2015
		Male-head	2014	0%	30%	TBD	75%	TBD	
		Fem –head	2014	0%	30%	TBD	75%	TBD	
29	Number of individuals trained on savings and loans	Total	2014	0	6,000	5,037	6,000	5,037	
		Male	2014	0	3,000	2,221	3,000	2,221	
		Female	2014	0	3,000	2,816	3,000	2,816	
30	Number of individuals receiving household enterprise training	Total	2014	0	8,000	57	18,000	57	Training for remaining VAs, Producer group members and other household members to continue in the next financial year
		Male	2014	0	4,000	34	9,000	34	
		Female	2014	0	4,000	23	9,000	23	